

SENATE RECORD VOTE ANALYSIS

104th Congress
2nd Session

Vote No. 152

May 23, 1996, 3:10 p.m.
Page S-5516 Temp. Record

BUDGET RESOLUTION/Procedure for Considering Family Tax Relief

SUBJECT: Senate Concurrent Budget Resolution for fiscal years 1997-2002 . . . S. Con. Res. 57. Vote to uphold the ruling of the Chair following the Daschle appeal of the Chair's ruling that the Daschle point of order was not well taken.

ACTION: DECISION OF CHAIR SUSTAINED, 53-47

SYNOPSIS: As reported, S. Con. Res. 57, the Concurrent Budget Resolution for fiscal years 1997-2002, will balance the Federal budget in fiscal year (FY) 2002 by slowing the overall rate of growth in spending over the next 6 years to below the rate of growth in revenue collections. The rate of growth in entitlements such as Medicare, Medicaid, the Aid to Families with Dependent Children program, and the Earned Income Credit will be slowed. No changes will be made to the Social Security program, the spending for which will grow from \$348 billion in FY 1996 to \$467 billion in FY 2002. Defense spending will be essentially frozen at its present level.

Senator Daschle raised the point of order that the pending concurrent resolution, as drafted, did not constitute a "budget resolution." The Chair then ruled that the point of order was not well taken, after which Senator Daschle appealed the ruling of the Chair. The question before the Senate then became, "Shall the judgment of the Chair stand as the judgment of the Senate?"

Those favoring the ruling of the Chair contended:

Our Democratic colleagues are going through some rather remarkable twists and gyrations of parliamentary logic in a desperate attempt to avoid having to vote on a bill giving working-class American families tax relief. If that relief were instead tied to other measures, rather than considered as a stand-alone bill, Democrats would not be able to mask their opposition to the tax relief by saying that they really favored it, but were just voting against the bill because of those other measures. No, their opposition would be exposed.

The Daschle point of order has two basic parliamentary premises. First, it suggests, wrongly, that no more than one reconciliation

(See other side)

YEAS (53)		NAYS (47)		NOT VOTING (0)	
Republicans (53 or 100%)	Democrats (0 or 0%)	Republicans (0 or 0%)	Democrats (47 or 100%)	Republicans (0)	Democrats (0)
Abraham	Helms	Akaka	Inouye		
Ashcroft	Hutchison	Baucus	Johnston		
Bennett	Inhofe	Biden	Kennedy		
Bond	Jeffords	Bingaman	Kerrey		
Brown	Kassebaum	Boxer	Kerry		
Burns	Kempthorne	Bradley	Kohl		
Campbell	Kyl	Breaux	Lautenberg		
Chafee	Lott	Bryan	Leahy		
Coats	Lugar	Bumpers	Levin		
Cochran	Mack	Byrd	Lieberman		
Cohen	McCain	Conrad	Mikulski		
Coverdell	McConnell	Daschle	Moseley-Braun		
Craig	Murkowski	Dodd	Moynihan		
D'Amato	Nickles	Dorgan	Murray		
DeWine	Pressler	Exon	Nunn		
Dole	Roth	Feingold	Pell		
Domenici	Santorum	Feinstein	Pryor		
Faircloth	Shelby	Ford	Reid		
Frist	Simpson	Glenn	Robb		
Gorton	Smith	Graham	Rockefeller		
Gramm	Snowe	Harkin	Sarbanes		
Grams	Specter	Heflin	Simon		
Grassley	Stevens	Hollings	Wellstone		
Gregg	Thomas		Wyden		
Hatch	Thompson				
Hatfield	Thurmond				
	Warner				

EXPLANATION OF ABSENCE:

- 1—Official Business
- 2—Necessarily Absent
- 3—Illness
- 4—Other

SYMBOLS:

- AY—Announced Yea
- AN—Announced Nay
- PY—Paired Yea
- PN—Paired Nay

bill may be introduced for a budget resolution. Second, it suggests, again wrongly, that it is not in order for a budget resolution to give reconciliation instructions to report a reconciliation bill that will decrease revenues without having additional instructions for that bill to comply with the Byrd rule against creating deficits in the outyears (the years beyond whatever years that particular budget resolution covers). On the first point, nothing in the Budget Act, or anywhere else, states that only one reconciliation bill may be introduced per budget resolution. Further, when our Democratic colleagues were in the majority in 1994, they had two reconciliation bills for their budget resolution, one with tax changes and one to raise the debt limit. We know also that White House Chief of Staff Leon Panetta, when he was in Congress in 1982, said that he thought that a budget resolution should be accompanied by many reconciliation bills so there would be more time to give serious consideration to the individual elements of those bills.

On the second point, nothing in the Budget Act, or anywhere else, says that reconciliation instructions must reduce the deficit or be deficit neutral. It is true that the Byrd rule, which passed in the early 1980s, would make a reconciliation bill that increased the deficit in the outyears out of order, but a budget resolution is not a reconciliation bill. Our colleagues cannot raise a point of order against a bill that does not yet even exist. This budget resolution states that if the first reconciliation bill passes on welfare and Medicaid, and if the second reconciliation bill passes on Medicare and other entitlement reforms, then the third tax cut bill will be considered. If and when it is, and if it by itself results in a deficit in the outyears, then our Democratic colleagues will be free to make their point of order. If they want to argue that after making literally hundreds of billions of dollars in savings on the first two bills we cannot give tax relief to working families, even though giving that relief will not hinder efforts to balance the budget, they can make that argument against working families. That point of order will be valid parliamentarily, but it will be possible to waive it with 60 votes. There are not enough Democrats to kill a tax relief bill on a simple majority vote, but there are more than enough to kill it on a point of order. That will be their choice.

Democrats have also made the argument that the reconciliation process outlined in this bill will work counter to the Senate's tradition of extended debate. The opposite is true. Debate time on a reconciliation bill is limited. Calling for three reconciliation bills instead of one will not limit the amount of debate time; it will triple it. Democrats have then suggested it will make it possible for virtually all legislation to occur on reconciliation bills. This suggestion is wrong. The same strict limitations on what types of matters may be considered on reconciliation bills, including the strict germaneness requirements of the Byrd rule, will apply to all three reconciliation bills. If the Senate were to limit itself to considering only reconciliation bills all year, as Democrats suggest it might, then it would be strictly limiting the type of legislation it could consider. We doubt that will ever happen. Literally, if the Senate wished, it already could consider only a budget resolution, a reconciliation bill, and appropriations bills and then adjourn, but it does not. The Senate never has any shortage of items it would like to consider, and it will not have any shortage if it has one, three, or more reconciliation bills.

We think all of these arguments Democrats are making against the budget process outlined in this resolution are just a smokescreen for their real concern, which is that they do not want to have to vote on a family tax relief bill. When it comes to taxes, Democrats are incredibly consistent. They can always find an excuse for raising taxes, they will always claim that they are taxing the rich when they are taxing the middle class, and they will always predict the end of the world anytime there is any effort to cut some of the taxes they have imposed on working Americans. In this particular instance, they are going to have a very difficult time making any of those claims stick. The Republicans, in the third reconciliation bill, want to provide a \$500 per child tax credit. That tax credit will phase out at high-income levels. Therefore, right off the bat, they cannot claim that this credit is for rich people. Second, the plain truth is that most American families do not become economically successful until they are older, and their children have grown up, gotten, married, and graduated from college. Families with children are not high-income families. Fully 75 percent of this tax cut will benefit families with incomes of less than \$75,000. A two-wage earner family with two kids, struggling to get by on \$50,000 or \$60,000 per year, will get \$1,000 off their tax bill under the Republicans' proposal.

Democrats understand that even if they take every penny of income from every rich person in America, they will still only collect a fraction of the amount that the Federal Government spends each year. They know that to support the size of Government they want, particularly to pay for their means-tested welfare programs, they need to impose massive taxes on middle-income, working families. They never will admit these facts, however, because they know that the American people disagree with their tax-and-spend attitude. The American people want the welfare state to be reformed and their taxes cut. Bringing up a reconciliation bill that contains only tax cuts for middle-class, working families will force Democrats out into the open. They will not be able to claim they are against the bill for any reason other than that they are against middle-class tax relief. We do not think that our Democratic colleagues are worried about any procedural matters; they just do not want to have to vote on a middle-class tax cut bill.

We may well never get to a third reconciliation bill. If President Clinton vetoes either of the earlier welfare and entitlement reform bills, which is likely, it will not be introduced. However, that fact does not mean that we are willing to foreclose the opportunity of tax relief beforehand. If it is possible to provide it without hurting efforts to balance the budget, and it will be possible if the first two bills pass, then it should be provided. Therefore, we urge our colleagues to uphold the ruling of the Chair against the Daschle point of order.

Those opposing the ruling of the Chair contended:

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The purpose of reconciliation is to make changes to law to meet revenue assumptions that are in budget resolutions. Before this year, the practice has always been to introduce only one reconciliation bill. Additionally, the implicit understanding has always been that reconciliation bills are to increase revenues and/or to cut spending in order to reduce the deficit. The whole point of setting up the budget process was to control spending. These two points are severely violated by this budget resolution. Further, they are violated in a manner that will severely damage the Senate as an institution.

This budget resolution will call for three separate reconciliation bills, the third of which will increase the deficit. If we establish the precedent that it is permissible to have multiple bills considered that may decrease or increase the deficit, we run the risk that whichever party is in the majority will use the reconciliation process to force through policy changes using the limited debate times that come under reconciliation. The Budget Committee would become the equivalent of the House Rules Committee. It would set up a schedule of reconciliation bills on various topics, which could result in either increases or decreases in the deficit. Debate time would be limited, and even the type of amendments that could be offered would be severely limited. Instead of just one bill per year with limited debate time that could only reduce the deficit, the Senate might soon be considering only "reconciliation" bills, all with limited debate time, all with a limited right to offer amendments, and all of which could either increase or decrease the deficit.

In 1975, then-Senator Long brought a bill to the floor to cut taxes and claimed that it was a reconciliation bill. He made that claim because he wanted to consider it under limited debate time. The truth, though, is that his bill was not a reconciliation bill. It was not in response to budget resolution instructions, and had not been debated by the Finance Committee as such. We know that everyone stood and saluted when Senator Long made that claim, but it was by no means a reconciliation bill. The first real reconciliation bill ever, in fact, did not pass until 1980, and that bill, like every one since, was designed to reduce, not increase, the deficit.

Some Senators have suggested that Democrats have raised this point of order because they do not want to vote against a tax cut. We cannot speak for all Democratic Senators, but we emphatically oppose tax cuts, and further insist that taxes should be increased. Frankly, we think that Republicans are just talking about tax cuts now to win votes, especially because they cannot make much noise about deficit spending after President Clinton has done such a good job of reducing the annual deficits. However, our positions on raising or cutting taxes are irrelevant. What matters is that the Daschle point of order is valid. Calling for three reconciliation bills, and particularly calling for a bill that will increase the deficit, is in clear violation of the rules and will greatly damage the Senate. The Chair's ruling on this point of order was wrong. We urge Senators to join us in voting against it.